

PAID FAMILY LEAVE

In 2002, legislation (Senate Bill 1661) extended disability compensation to individuals who take time off work to care for a seriously ill child, spouse, parent, domestic partner, or to bond with a new minor child.

This program, known as Paid Family Leave, is being administered by the State Employment Development Department's (EDD) Disability Insurance Branch.

Employee contributions (withholdings) for Paid Family Leave begin **January 1, 2004**, and benefits can be paid for claims that begin on or after **July 1, 2004**.

Coverage and Benefits

Paid Family Leave is a component of the State Disability Insurance (SDI) program and, thus, those workers covered by SDI also will be covered for this benefit. Similarly, workers who are covered by a Voluntary Plan for SDI are required to be covered for Paid Family Leave through their Voluntary Plan.

Benefits are payable for claims that begin on or after **July 1, 2004**. Weekly benefits will range from \$50 to \$728 for claims beginning July 1, 2004. The maximum claim benefit is six times the weekly benefit amount. No more than six weeks of Paid Family Leave benefits may be paid within any 12-month period.

Eligibility Requirements

- An employee may file a claim for Paid Family Leave benefits for the following reasons:
 - To care for a seriously ill child, spouse, parent, or domestic partner;
 - To bond with a new child; or
 - To bond with a minor child in connection with the adoption or foster care placement of that child.
- A medical certificate is required when a Paid Family Leave claim is filed to provide care for a seriously ill family member. The certificate must include a diagnosis and International Classification of Diseases code; the commencing date of the disability; the probable duration; the estimated time care is needed;

and state that the serious health condition warrants the participation of the employee to provide care. This includes "providing psychological comfort" and arranging "third party care." An estimate of the amount of time necessary to provide care is also required.

- For bonding, Paid Family Leave is limited to the first year after the birth, adoption, or foster care placement of a child. A separate certification must be completed for leave associated with the birth, adoption, or foster care placement of a child.
- There is a seven-day waiting period before benefits are paid. In addition, the employer may require the employee to use up to two weeks vacation leave prior to receiving benefits. The first week of vacation will be applied to the waiting period.
- Individuals cannot receive Paid Family Leave while receiving SDI, Unemployment Insurance, or Workers' Compensation benefits.
- An individual is not eligible for Paid Family Leave for any day that another family member is able and available for the same period of time that the individual is providing the required care.
- An individual who is entitled to leave under the federal Family Medical Leave Act and the California Family Rights Act must take Paid Family Leave concurrent with leave taken under those acts. (For information on the California Family Rights Act, see the State Department of Fair Employment and Housing's Web site at www.dfeh.ca.gov.)

Claim Form and Informational Brochure

The Paid Family Leave benefit claim form will be available in April 2004. An informational brochure for employees will be available in November 2003. Employers must provide this brochure to new employees beginning January 1, 2004 and to any employees leaving work on or after July 1, 2004, to provide care for a sick or injured family member or to bond with a new child.

Funding

The Paid Family Leave program is funded through worker contributions. To cover the initial cost of benefits, the SDI rate will increase by .08 percent in 2004 and 2005. Thereafter, the SDI rate calculation will be based on funding needs for both benefit programs. The SDI taxable wage limit for 2004 will be \$68,829. The SDI taxable wage limit for 2005 will be \$79,418. Any earnings over this amount are not subject to Paid Family Leave or SDI withholdings.

For More Information

For additional information on the program, please visit our Internet site at www.edd.ca.gov or contact EDD at:

- English 1-877-BE-THERE
- Spanish 1-877-379-3819
- TTY (non-voice) 1-800-563-2441